

F. JAMES SENSENBRENNER, JR., Wisconsin
CHAIRMAN

HENRY J. HYDE, Illinois
HOWARD COBLE, North Carolina
LAMAR S. SMITH, Texas
ELTON GALLEGLY, California
BOB GOODLATTE, Virginia
STEVE CHABOT, Ohio
WILLIAM L. JENKINS, Tennessee
CHRIS CANNON, Utah
SPENCER BACHUS, Alabama
JOHN N. HOSTETTLER, Indiana
MARK GREEN, Wisconsin
RIC KELLER, Florida
MELISSA A. HART, Pennsylvania
JEFF FLAKE, Arizona
MIKE PENCE, Indiana
J. RANDY FORBES, Virginia
STEVE KING, Iowa
JOHN R. CARTER, Texas
TOM FEENEY, Florida
MARSHA BLACKBURN, Tennessee

ONE HUNDRED EIGHTEEN CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON THE JUDICIARY

2138 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6216

(202) 225-3951

<http://www.house.gov/judiciary>

April 22, 2004

JOHN CONYERS, JR., Michigan
RANKING MINORITY MEMBER

HOWARD L. BERMAN, California
RICK BOUCHER, Virginia
JERROLD NADLER, New York
ROBERT C. "BOBBY" SCOTT, Virginia
MELVIN L. WATT, North Carolina
ZOE LOFGREN, California
SHEILA JACKSON LEE, Texas
MAXINE WATERS, California
MARTIN T. MEEHAN, Massachusetts
WILLIAM D. DELAHUNT, Massachusetts
ROBERT WEXLER, Florida
TAMMY BALDWIN, Wisconsin
ANTHONY D. WEINER, New York
ADAM B. SCHIFF, California
LINDA T. SANCHEZ, California

The Honorable F. James Sensenbrenner, Jr.
Chairman, Committee on the Judiciary
U.S. House of Representatives
2138 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

We are writing to request that the Committee hold hearings regarding the recent reports that the Administration may have struck a deal with the Saudi government to maintain artificially high oil prices until just before the 2004 election. A decision by Saudi Arabia and the other OPEC nations to manipulate oil production and prices is anticompetitive and may very well constitute a violation of the antitrust laws. If true that would mean that the Oval Office had been used to extract political benefit at the expense of American consumers.

The allegation, first published in Bob Woodward's book "Plan of Attack," is that in an Oval Office discussion, President Bush asked about the excess production capacity of the United Arab Emirates and Saudi Arabia, and that the Saudi Arabian ambassador, Prince Bandar bin Sultan, gave assurances that prices would drop over 10 months to prime the economy for 2004.

Such a promise would force the American people to wait until November for relief on gas prices. In recent months, American consumers have paid exorbitant prices at the pump, as gas prices have hit their highest levels since the first Gulf War. Since January, oil prices have climbed more than fifteen percent, driving gasoline prices in the United States to record levels while producing budget surpluses in nations like Saudi Arabia.

The group of eleven nations comprising OPEC is considered by many to be a classic definition of a cartel. OPEC accounts for more than a third of global oil production, and OPEC's oil exports represent about 55 percent of the oil traded internationally.

If the reports are true, a decision that has already been made as to the amount of oil production that has nothing to do with the market or supply and demand could constitute an

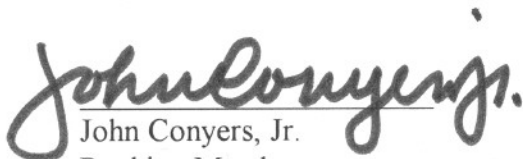
The Honorable F. James Sensenbrenner, Jr.
Page Two
April 22, 2004

antitrust violation. Presently, however, nations such as those belonging to OPEC are not subject to U.S. antitrust laws, and thus, holding these nations accountable is not at present an option for the U.S. government.

In March, Ranking Member Conyers introduced a bill that changes the law. H.R. 4106, the No Oil Producing and Exporting Cartels ("NOPEC") Act of 2004, subjects a group of competing oil producers, like the OPEC nations, to U.S. antitrust law when they act together to restrict supply or set prices.

The Committee has not yet held hearings on my legislation, but recent reports that President Bush may have struck a deal with the Saudi Arabian government reinforce my belief that we need to reexamine our antitrust laws. Consumers should not be forced to stand by and watch nations like OPEC dictate the price of our gas without any recourse. At the very least, we should hold a hearing to examine this important issue.

Sincerely,



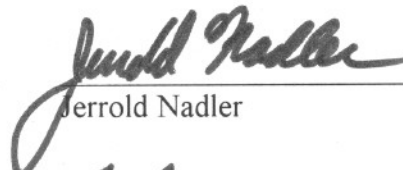
John Conyers, Jr.
Ranking Member



Zoe Lofgren



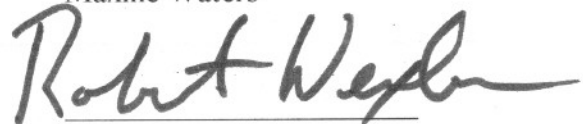
Anthony D. Weiner



Jerrold Nadler



Maxine Waters



Robert E. Wexler